

CITY OF BISMARCK
EMPLOYEES PENSION FUND
State Investment Board
Balance Sheet
As of 10/31/2008

	As of <u>10-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 10,403,086	\$ 14,931,773
INTERNATIONAL EQUITIES	3,646,471	5,751,631
DOMESTIC FIXED INCOME	16,802,923	18,366,334
INTERNATIONAL FIXED INCOME	4,192,388	4,731,544
REAL ESTATE	5,084,806	5,375,053
ALTERNATIVE INVESTMENTS	286,597	303,817
INVESTED CASH (NOTE 1)	<u>841,959</u>	<u>177,709</u>
 TOTAL INVESTMENTS	 41,258,230	 49,637,861
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>41,843</u>	<u>82,703</u>
 TOTAL RECEIVABLES	 41,843	 82,703
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	520,613	917,267
 TOTAL ASSETS	 <u>\$ 41,820,686</u>	 <u>\$ 50,637,831</u>
 LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	520,613	917,267
INVESTMENT EXPENSE PAYABLE	<u>67,966</u>	<u>67,832</u>
 TOTAL LIABILITIES	 588,579	 985,099
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	49,652,732	51,545,555
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(8,420,625)</u>	<u>(1,892,823)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>41,232,107</u>	 <u>49,652,732</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 41,820,686</u>	 <u>\$ 50,637,831</u>

**CITY OF BISMARCK
EMPLOYEES PENSION FUND
State Investment Board
Profit and Loss Statement
For the Month Ended 10/31/2008**

	Month Ended <u>10-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 78,405	\$ 384,167
SECURITIES LENDING INCOME	<u>1,634</u>	<u>7,071</u>
	80,039	391,238
 GAIN ON SALE OF INVESTMENTS	 578,164	 1,698,167
LOSS ON SALE OF INVESTMENTS	<u>1,540,259</u>	<u>2,633,613</u>
 NET GAINS (LOSSES) INVESTMENTS	 (962,095)	 (935,446)
 INVESTMENT EXPENSES	 19,714	 77,569
SECURITIES LENDING EXPENSES	1,073	5,383
 NET INVESTMENT INCOME	 (902,843)	 (627,160)
 NET APPREC (DEPREC) MARKET VALUE	 (4,183,847)	 (7,808,356)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(12,938)</u>	<u>14,891</u>
 TOTAL INVESTMENT INCOME	 <u>(5,099,628)</u>	 <u>(8,420,625)</u>
 NET INCREASE (DECREASE)	 <u>\$ (5,099,628)</u>	 <u>\$ (8,420,625)</u>

CITY OF BISMARCK
EMPLOYEES PENSION FUND
Notes To Financial Statements
October 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.